

☐ UNCLASSIFIED☐ INTERNAL
USE ONLY☐ CONFIDENTIAL☐ SECRET**ROUTING AND RECORD SHEET**

SUBJECT: (Optional)

Category I CORE Submission

FROM:

C/OC-DND

EXTENSION

NO.

OCDN-M81-222

DATE

23 June 1981

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. ☐ Chairman
CORE Study Group

2.

3.

4.

5.

6.

7.

8.

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10.

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12.

13.

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15.

OL 1 2677

FORM 3-62 610 USE PREVIOUS EDITIONS

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OC

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OCDN-M81-222

23 JUN 1981

STAT

MEMORANDUM FOR: [REDACTED] Chairman
CORE Study Group

STAT

FROM: [REDACTED]
Chief, Domestic Networks Division, OC

SUBJECT: Category I CORE Submission (U)

Attached is the OC submission for the CAT I CORE
paper.

STAT

Attachments:
as stated



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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - REDISTRIBUTION OF HUMAN RESOURCES

During the past three years, FND has reduced the staffing at two of our base stations and several field stations for a total reduction of 20 positions. These positions were then reassigned to satisfy new priority requirements. The total saving of this realignment of personnel is approximately \$1.5M per year. (75K X 20)

ICB was reduced in March 1980 by four positions, with the incumbent's duties being absorbed by the remaining Branch personnel. These positions were made available for other functions within the office.

The Signal Center Branch restructured its watch schedule covering weekends with scheduled overtime with a net savings of \$500K per year. [REDACTED] positions have been made available for other functions within the office.

25X11

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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - USE OF ADP RESOURCES

Use of ADP resources in the day-to-day management of OC is widespread. Systems such as MAINS, BYCEPA, CACOLIN, NETSUM, and others, have improved efficiency; use of VM, Ramis and Script in preparation of formats, specifications, studies and reports have increased efficiency. No specific dollars have been identified but it can safely be said that use of ADP resources has improved office efficiency by 5-7 man-years. People are free to do other things.

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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - LOGIC IMPROVEMENT IN MESSAGE SWITCHES

When increased service is needed, Unattended Operation Terminal (UOT) eliminates the need for an expensive voice grade line. To date, three units have been installed resulting in an annual savings of \$30K.

Improved service has been possible at 30 facilities through the use of FASTCAST. Dollar savings with respect to this improvement are difficult to compute. However, the use of FASTCAST in a crisis situation provides a service not measurable in dollars.

A modification was made to print out logs of messages with errors instead of all messages passing through the switch. This saved the time required by operators to search through the logs looking for messages with an error. The manpower savings was estimated at 1.5 man-years per site. There are three sites and one is overseas. This equates to a cost savings of approximately \$157K per year for manpower and reduces paper consumption by 360 boxes per year (\$5,400).

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COST REDUCTION & EFFICIENCIES

CAT I - CIA CABLE REFERENCE FILE

STAT

Approval of a revised is expected to occur in the very near future. This approval will clear the way for the CSB to reduce its CIA cable reference file (archives) from two years to two months. Concurrent with the reduction in the requirement for CSB to retain Agency traffic, the DDO registries will be required to maintain their holdings of CIA traffic for two months. The CIA cable reference file can then be reduced to an emergency backup file maintained on magnetic tape. Two positions made available for other functions.

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COST REDUCTION & EFFICIENCIES

CAT I - RACAL 9629 MODEM

Provides for accommodating up to four separate and independent circuits onto one modem and leased line, thereby saving either additional modems and leased lines or additional multiplexers. Deployed throughout domestic and foreign networks. Savings - 195 mandays/yr on-going.

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COST REDUCTION & EFFICIENCIES

CAT I - UNIVERSAL MUX CONFIGURATION

Provides for multiplexing red and black signals by one
vice two multiplexers.

STAT

Savings - 320K, 20 mandays/yr on-going.

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COST REDUCTION & EFFICIENCIES

CAT I - TRAINING IMPROVEMENTS

Computer-Aided Instruction (CAI): By the use of CAI, our students are allowed more flexibility for self-paced instruction. This is especially true with Morse Code and Triads which are both extremely time-consuming. The CAI is formatted with automatic scoring which also allows the instructor to literally be in two places at one time. [] expanding its CAI program but at its present state, CAI is saving approximately 10 man-weeks per year.

STAT

Classroom Renovation and Reallocation of Training Equipment: Better than 60 percent of the operations training area [] is being renovated. The end results of this effort will be consolidation of equipment which will maximize training, freeing up floor space for newer technology, and purging training of outdated equipment. Consolidation will intensify training and may reduce training time. Better than a thousand square feet have already been realized through renovation. Our electronic maintenance shop believes it will save approximately six man-weeks by not having to maintain old and outdated equipment.

STAT

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COST REDUCTION & EFFICIENCIES

CAT I - PROJECT DUE

Dictionary Upgrade Effort, Phase I, was completed in May 1981. The one-year project consisted of a redesign of the concept and approach used to automatically disseminate messages through the Cable Dissemination System (CDS). Approximately 70 percent of all traffic is now processed by machine with a goal of 80 percent at the completion of Phase II. Prior to Project DUE, approximately 25 percent of the cable traffic was machine analyzed.

Project DUE has lessened the burden on the cable analysts and permitted them to more effectively and accurately disseminate cable traffic. Savings - \$120K/yr.

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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - STATISTICAL MULTIPLEXER (STATMUX)

Provides for error-free transmission and allows over-subscribing, both of which result in reduced leased line costs.
Deployed in Savings - 12K/yr on-going.

STAT

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28 JUN 1981

OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - OC FINANCE BRANCH PROCEDURAL CHANGE

The Finance Branch instituted several procedural changes that resulted in a more efficient operation and time savings to FB employees. Listed below are some of the more noteworthy improvements:

1. Deleted the requirement to post individual price adjustments to each requisition. Control of costs has been maintained with a monthly time savings of about two days.

2. Established a card system to identify pertinent info on each contract. This system facilitated the processing of billings through Finance Branch. The monthly savings in time approximates 1/2 day.

3. Initiation of a travel order log to identify the type of travel, cover of the traveler, etc. This has since been computerized on the MAINS system and has been expanded to include basic data of the travel order. Savings in time is estimated 3-5 days per year.

4. Devised packages containing basic travel and allowances data and forms to complete an accounting for these items. The purpose of these packages is to inform travelers of their entitlements and make them aware of the forms required to submit an accounting. A resulting savings of about 1/2 day a month was realized.

5. Redesigned Form 2646 to permit payment of petty cash claims at Decentralized Disbursing Offices. The savings to Finance Branch is probably three to four hours per month.

6. Established a Decentralized Disbursing Office to handle all monetary transactions for Agency employees. This eliminated the necessity for a great many employees to travel to other buildings. Cost savings was estimated at approximately one man-year.

STAT

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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - RECRUITMENT TEAMS OS/OMS/OC

As a result of the Task Force Recruitment Team going to Dallas, Texas, the effort produced a significant savings to the U.S. taxpayer. The Team costs were \$5,909 for two security officers, one medical officer and two commo officers. If the 25 applicants had come to Washington, D.C. for three days of processing, the Agency cost would have been \$30,875. This represents a total savings of \$24,966. Additionally, the Team made history by EOD'ing two ET employees one week after they were interviewed in the field. Many offices and hands made this possible.

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OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - DATEX PROGRAM TO PROVIDE MESSAGE RELAY TO ODP COMPUTER
FROM CDS

The modification of the DATEX system software to provide message traffic relay to ODP, COMET and SAFE versus development of a separate message switch system to provide the service saved \$300,000 in hardware costs, and an undeterminable number of manhours that would have been required to write the software.

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28 JUN 1981

OC SUBMISSION

COST REDUCTION & EFFICIENCIES

CAT I - STREAMLINE OVERSEAS PROCESSING

STAT [REDACTED] STAT

STAT [REDACTED] at the average grade of GS-08 (58.09 per hour), we saved approximately \$14,424 in lost man hours (223 employees X \$8.09 per hour X 4 hours each visit (2) equals \$14,424) considering that each employee would have lost approximately four hours from the job during two visits each to Hqs for processing of appropriate integration forms. Processors now travel [REDACTED] STAT

STAT Mileage for approximately 100 employees to drive [REDACTED] STAT

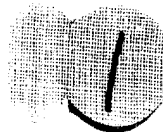
STAT [REDACTED] For processing purposes, medicals, and security briefings would amount to five trips each or \$11,150. (100 employees X 5 trips each X average of costs from [REDACTED] STAT

STAT [REDACTED] \$22.30 = \$11,150.) Assuming that 30 (arbitrary figure) of these students were married, their spouses and dependents would have incurred living expenses for two nights in the Rosslyn area at \$50 per night for a savings of \$3,000. Mileage on top of these costs would amount to another \$600.

STAT Since July 1980, over 126 medicals have been performed [REDACTED] instead of Hqs. A savings of \$2,720 has been realized by having 126 medicals performed [REDACTED] Assuming 30 of the students were married, additional living expenses for two nights in the Rosslyn area @ \$50 per night resulted in savings of \$3,000. Each processee would also have had to make a trip to the Hqs Building for the Hostile Audio presentation security course briefings. (Now given [REDACTED] ((OOP week)) for new students.) (225 personnel X 4 hours of time = \$58.09 or \$7,212 in savings.) We waived the HAS briefing for anyone having had it within the last three years, which resulted in additional savings. STAT

Normal processees during the remainder of the year will total approximately 100. Considering the time lost from work (approximately 800 hours @ \$8.09 per hour X 2 trips @ 4 hours each, OC will realize savings of approximately \$6,472). Two trips for each wife will result in another \$4,460 in savings.

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ODP

Competitive Procurement of Computer Equipment

Very substantial discounts have been provided by equipment manufacturers in bidding on competitive procurements of ADP equipment. Competitive procurement of disk drives and computer memory has resulted in a savings of 3 million dollars in cost avoidance since FY 1979.

\$ 3,000,000

HRS (Human Resources System)

The new computer-based HRS (most noticeably the PERSIGN II system) was implemented in 1980 at an estimated development cost of \$2.9 million. An annual savings of approximately \$760,000 will result as compared with the cost of former personnel processes.

\$ 760,000

Prompt Payment Discount

Many manufacturers and vendors of computer equipment offer prompt payment discounts of 3-5 percent for early receipt of the monthly payments due. The annual savings by taking advantage of these discounts amounts to approximately \$110,000 for three Amdahl computer systems in ODP.

~~\$~~ 110,000

Release of Computer Equipment

The release of an IBM 360/20 small computer system and the transfer of the workload to main ODP computers has effected an annual savings of over \$53,000 in terms of equipment maintenance, space, and manpower. Further, four positions were eliminated that were previously assigned to support this work.

$$\begin{array}{r}
 13,250 \\
 \times 3 \\
 \hline
 39,750
 \end{array}$$

$$\begin{array}{r}
 106 \\
 39,750 \\
 \hline
 145,750
 \end{array}$$

\$ 145,750

Use of Excess ADP Equipment

The use of excess mainframe and minicomputer equipment since FY 1979 has resulted in a savings of 2.1 million dollars through cost avoidance as follows:

370/158 Mainframe plus peripheral equipment for:

Project TADS (OSWR)	\$1.0M
Project 4C (OS)	\$1.0M

Minicomputer Equipment from Digital
Equipment Corporation for OS, OSO
and OCR projects

.1M

TOTAL

\$2.1M

\$ 2,100,000

auth

ODP

ODP Cost Savings During Last Three Years

- o SAFE Hardware RFP (about \$20M)
- o 1978 Disk Upgrade (about \$2M)
- o Prompt payment discounts (\$110,000 per annum for 3 Amdahl systems)
- o New PERSIGN II system (savings of \$763,000 per annum in operating costs)
- o Release of 2 360/20 computer systems (\$52,000 per annum)

ODA

Reductions and Consolidations

- o Itemize all DDA functions
- o Associate annual costs with each
- o Identify overlap with other Directorates and reason (e.g., compartmentation, effectiveness)
 - Production control (ODP-OCR-IMS)
 - Printing and graphics (OL-NFAC)
 - Etc.
- o Present to EXCOM for action

DDP

Surge Funding of ODP ComputersExample

IBM 3033 MP System

	<u>Actual</u>	<u>Discounted</u>
60 Mo. Purchase	\$7.10M	\$5.55M
Outright Purchase	<u>5.44M</u>	<u>5.44M</u>
Savings	\$1.66M	\$.11M

Small discounted dollar savings achievable. Must be weighed against:

- a. budgetary complications
- b. loss of flexibility